

TOWN OF FREDERICK

RESOLUTION 09-R-

A RESOLUTION PROVIDING FOR THE APPLICATION OF FUNDS REMAINING FROM PREVIOUS YEARS' PROPERTY TAX LEVIES TO THE EARLY REDEMPTION OF OUTSTANDING BONDS AND TO A REFUND TO TAXPAYERS, AND DIRECTING A PERMANENT REDUCTION IN THE TOWN'S FUTURE TAX LEVY FOR THE BONDS BEING REDEEMED.

WHEREAS, in the course of preparing the Town's 2010 budget, the Board of Trustees of the Town of Frederick has become aware that certain funds from previous years' bond levies remain on hand, and;

WHEREAS, to the extent that such funds are not needed for the payment of bonds and interest, the Board intends to refund them to taxpayers, and;

WHEREAS, there are currently outstanding \$206,000 principal amount of General Obligation Water Bonds, Series 1978 (the "1978 Bonds") and \$11,000 in accrued interest, which bonds are subject to redemption on 30 days' published notice, and;

WHEREAS, the redemption of the 1978 Bonds will result in the elimination of the associated tax levy in future years and avoid future accruals of interest on the 1978 Bonds, which would otherwise result in additional taxes in such years; and

WHEREAS, following such redemption there will still be \$121,000 of unexpended tax revenues from past years' debt service mill levies, which amount shall be refunded to the taxpayers through a credit on the 2010 General Fund mill levy.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK, COLORADO:

Section 1. That the Finance Director is hereby directed to give notice of redemption of the 1978 Bonds and to redeem them at the earliest possible date.

Section 2. That the Finance Director shall fund such redemption with unused revenues from the Town's debt service property tax levy currently on hand.

Section 3 That, provisions having been made for such redemption, any other unused amounts from the debt service levy shall be used to effect a refund to taxpayers in the amount of \$121,000. Such refund shall be accomplished by means of a temporary mill levy reduction in the Town's certification of its 2009 mill levy for taxes to be collected in 2010.

Section 4. That, following the redemption of the 1978 Bonds, the tax levy which would have been imposed therefor in the years 2010-2018 shall be terminated.

ADOPTED, this 8th day of December, A.D., 2009.

BY: _____
Eric E. Doering, Mayor

ATTEST:
Nanette Fornof, Town Clerk